DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 0 2 — 0 0 4

2. STATE: South Carolina

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
April 1, 2002

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:
Section 1931 of the Act

7. FEDERAL BUDGET IMPACT:
a. FFY 02 $ ($1,078)*
b. FFY 03 $ ($2,155)*

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
SUPPLEMENT 8a to ATTACHMENT 2.6-A, Page 1
SUPPLEMENT 12 to ATTACHMENT 2.6-A, Page 2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
SUPPLEMENT 8a to ATTACHMENT 2.6-A, Page 1
SUPPLEMENT 12 to ATTACHMENT 2.6-A, Page 2

10. SUBJECT OF AMENDMENT:
Treatment of income for TANF related groups.

11. GOVERNOR'S REVIEW *(Check One)*:

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED: Virgie R. Chambers

12. SIGNATURE OF STATE AGENCY OFFICIAL: William A. Prince

13. TYPED NAME:
William A. Prince

14. TITLE:
Director

15. DATE SUBMITTED:
May 1, 2002

16. RETURN TO:
SC Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
May 6, 2002

18. DATE APPROVED:
July 16, 2002

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
April 1, 2002

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:
Eugene A. Grasser

22. TITLE: **Associate Regional Administrator Division of Medicaid and State Operations**

23. REMARKS:
***State Agency authorized "pen and ink" change to Federal Budget Impact to show savings by adding brackets to dollar amounts.**

FORM HCFA-179 (07-92)

Instructions on Back

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

MORE LIBERAL METHODS OF TREATING INCOME
UNDER SECTION 1902(r)(2) OF THE ACT*

☐ Section 1902(f) State ☒ Non-Section 1902(f) State

A. For Qualified Medicare Beneficiaries, Aged and Disabled, Working Disabled, and Specified Low-Income Medicare Beneficiaries, the rules for valuing inkind support and maintenance are not applied.

B. For pregnant women with income below the state established poverty level (185% as of 7/90), a married pregnant minor who lives with her parents is automatically considered emancipated and her parents income is not considered in determining her eligibility.

C. For pregnant women, infants and children with income below the state established poverty level (185% as of 7/90), a deduction of child care expenses of up to $200 per month per child less the amount paid by the ABC voucher program for each child receiving child care is used.

D. For individuals applying under Section 1902(m)(1) of the Act, disregard the first $50 of unearned income.

*More liberal methods may not result in exceeding gross income limitations under section 1903(f).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

1. Disregards all assets for applicants and recipients.
2. Disregards one motor vehicle per family member who works or participates in a training program.
3. Disregards income from interest or dividends up to $400 annually.
4. Disregards earned income of dependent children.
5. Disregards cash value of life insurance policies up to $10,000.
6. Disregards up to $10,000 in an Individual Development Account.
7. For purposes of the 185% gross income test disregards all income in excess of 185%.
8. Disregards lump sum payments from income. If lump sum payments are retained for more than a month, the amount retained is counted as a resource.
9. Disregards 50% of earned income for the first 4 months after employment begins and a standard disregard of $100 for each month thereafter that earned income is received.
10. Disregards all earned income up to 185% of the Federal poverty level of recipients for 12 months after employment causes ineligibility.
11. Disregard difference between the 1931 income standard and 50% of the Federal poverty level by family size as revised annually in the Federal Register plus $1.

The income and/or resource methodologies that the less restrictive methods replace are as follows:

1. Resource limit of $1000 regardless of family size. No otherwise countable resources disregarded.